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C O N F I D E N T I A L SECTION 01 OF 02 PORT AU PRINCE 001652

SIPDIS

STATE FOR WHA/EX, WHA/CAR
STATE FOR DRL, INR/IAA, EEB FOR MARGUERITE SIEMER
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TAGS: [PREL](#) [PGOV](#) [ECON](#) [ETRD](#) [HA](#)
SUBJECT: HAITI MONTHLY: NOVEMBER, 2008

Classified By: Ambasssador Janet A. Sanderson for
reasons 1.4 (b) and (d)

[11](#). (U) Summary: This is a monthly report on various topics
of interest which do not merit a full reporting cable. End
summary.

POLITICAL HIGHLIGHTS

[12](#). (C) SENATE TO CONVOKE PRIME MINISTER DECEMBER 2. Amid
growing criticism of the government's handling of disaster
recovery efforts, Senate President Kely Bastien requested
that Prime Minister Michele Pierre-Louis appear before the
Senate to defend the government's management of the USD 197
million in emergency funding authorized after a state of
emergency was declared September 11. Influential Senator Jean
Hector Anacacis (Lespwa, West) has criticized the lack of
transparency in the government's spending and infrastructure
contracts awarded on an expedited basis after the recent
hurricanes. Bastien's chief of staff told Poloff November 26
that Senators Beauplan, Buissereth, and Latortue also
support the move. The Prime Minister suspects this is an
effort to topple Minister of Finance Daniel Dorsinvil.

[13](#). (C) LAVALAS PLANS MARCH FOR DECEMBER 1. Lavalas Deputy
Sorel Francois told Poloff November 21 that nearly 200
activists met at the Aritide Foundation the previous day to
plan large marches to commemorate the anniversary of former
President Jean-Bertrand Aristide's first election in 1990.
The organizers of the event, affiliated with Maryse Narcisse
and her faction of the party, will likely use the marches to
demonstrate the extent of their grass-roots support.
Francois predicted the marches would take place in the city
of Tabarre -- site of Aristide's residence near
Port-au-Prince -- or Champ de Mars in downtown Port-au-Prince.

[14](#). (U) JUSTICE MINISTER ON JUDICIAL REFORM AND CORRUPTION.
New Minister of Justice Exume said the Haitian court system
is 'inoperable and inefficient.' In remarks delivered
November 25 at a civil society conference organized by
PACT-Haiti, an NGO that receives USAID support, Exume said
judges are often untrained, incompetent or corrupt. He said
greater effort to formally train and properly vet judges, as
well as remove those deemed corrupt is needed. Exume
appealed to civil society reps to continue their advocacy for
justice and seek to broaden the participation of civil
society members in judicial reform.

[15](#). (U) AMNESTY INTERNATIONAL: HAITI MUST PROTECT GIRLS.
Amnesty International released a report November 25,
entitled: 'Don't Turn Your Back on Girls: Sexual Violence
against Girls in Haiti.' The report criticizes Haiti's

failure to protect girls from sexual predators and says the GOH needs to do more to enforce existing laws covering sexual abuse and violence, reform the justice system to investigate these crimes, assist victims to pursue legal remedies, and punish violators. AI plans to return next March to conduct additional research.

¶6. (U) GUN-SLINGING DEPUTY RETURNS TO PARLIAMENT. Joseph Mercier Ysidor (RDNP), a deputy representing Jeremie, the largest city in Grande Anse Department, returned to Parliament in early November for the first time since he shot and wounded a bystander in an April 2 altercation in Parliament. (Ysidor had aimed for Deputy Antony Dumont, but missed.) Deputy Stephen Benoit (Lespwa) opposed Ysidor's return and called for the Chamber of Deputies to formally censure him over the incident. Ysidor told the press earlier this month that no charges have been pressed against him. In a largely uneventful meeting with Poloff November 5, Ysidor said he returned to Parliament in part to argue for greater disaster relief efforts in Grand Anse.

ECONOMIC HIGHLIGHTS

¶7. (U) FUEL PRICES: DOWNWARD TREND EXPECTED. The Ministry of Finance announced that beginning November 26, the price of some refined petroleum products will be reduced in Haiti. Gasoline 91-octane will be 144 Haitian gourdes (HTG), equivalent to USD 3.50 and down from 174 HTG (USD 4.40). Diesel will be 113 HTG (USD 2.80) -- down from 131 HTG (USD 3.25). The price of gasoline 95-octane and kerosene is expected to remain the same as the current stock was bought

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at previous higher prices.

¶8. (U) CONSUMER PRICE INDEX FALLS. The Consumer Price Index (CPI) fell by 0.9 percent in the month of October, and the 12-month inflation rate declined to 18 percent -- down from 19.8 percent at the end of September. This is the first monthly drop in the CPI since July 2007. This decrease was due mainly to reductions in fuel and transportation costs.

¶9. (U) TRADE DEFICIT GROWS. Haiti's trade deficit reached USD 1.5 billion in Fiscal Year 2008, an increase of 52 percent from FY 2007. This represents more than 20 percent of GDP for the same period. Total exports were USD 400 million and imports were USD 1.9 billion. A decrease in total exports is projected in FY 2009 due to an expected reduction of U.S. demand for Haitian products.

¶10. (U) EXCHANGE RATE RISES. The exchange rate for the Haitian gourde (HTG) continued a slight upward trend in October, despite a large commercial bank transaction that dipped the rate sharply lower at the end of the month and reduced the monthly average rate to slightly below that of September. The official exchange rate reached 39.81 HTG/USD in October, down from 40 HTG/USD.

¶11. (U) TELECOMMUNICATIONS SECTOR SHOWS DRAMATIC GROWTH. Recently released reports indicate the Haitian mobile telecommunications sector experienced dramatic growth between 2006 and 2007 due mainly to Ireland-based company Digicel's entry into the market. During its first 18 months of operation, Digicel secured 1.5 million subscribers. (Note: Haiti's fixed telephone line density is the lowest in Latin America, with fewer than 200,000 landlines. End note) Marcelin Montaigne, Director General of the Haitian Telecommunications Council (CONATEL), the Haitian equivalent of our Federal Communications Commission, reported that a final decision on the fate of the government-owned telephone company, TELECO, depends upon the report being prepared by the International Finance Corporation. Montaigne said future development of the Haitian telecommunications sector would require the creation of a national fiber optic backbone.

SANDERSON